

[4910-13]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Docket No. 28495

Airport Financial Reports

AGENCY: Federal Aviation Administration (FAA), Department of Transportation(DOT)

ACTION: Notice of availability; request for comments.

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SUMMARY: This document announces the availability of formats for the preparation and filing of certain financial reports required from sponsors of federally assisted airports, and requests comments on those formats. The FY 1994 FAA Authorization Act included provisions requiring two new reports from airport sponsors. The first requires sponsors of federally assisted airports to report to the Department of Transportation amounts paid and services provided to other units of government. The second requires that the sponsor of each commercial service airport report in detail the total revenue and expenditures at the airport, including revenue surplus. This notice provides information on obtaining copies of the formats, assistance from the FAA in completing the reports, and directions for submitting the required reports. In the near future the FAA will issue further guidance on the filing of this information in an electronic data format and may issue revised formats in response to comments received.

DATES: Comments on the reporting formats contained in this notice are due [45 days from date of publication]. Financial reports described in this notice are due from airport sponsors on the 60th day following the end of the sponsor's fiscal year, beginning the first fiscal year ending after the date of this notice.

ADDRESSES: Comments should be mailed, in quadruplicate, to: Federal Aviation Administration, Office of Chief Counsel, Attention: Rules Docket (AGC-200), Docket No. 28495, 800 Independence Avenue, SW., Washington, DC 20591. All comments must be marked: "Docket No. 28495." Commenters wishing the FAA to acknowledge receipt of their comments must include a pre-addressed, stamped postcard on which the following statement is made: "Comments to Docket No. 28495." The postcard will be date stamped and mailed to the commenter. Comments on this Notice may be examined at the above address in room 915G on weekdays, except on Federal holidays, between 8:30 a.m. and 5 p.m.

Copies of the report formats and instructions for completing the reports are available from the persons listed under "For Further Information Contact," and may also be downloaded via internet from the Office of the Associate Administrator for Airports World Wide Web site at: <http://www.faa.gov/arp/arphome.htm>.

Reports must be submitted to the airport sponsor's Airports District Office and to: Airport Safety and Compliance Branch, AAS-310, ATTN: AIRPORT FINANCIAL REPORTS, Federal Aviation Administration, 800 Independence Ave., NW, Washington, DC 20591.

FOR FURTHER INFORMATION CONTACT: Benedict D. Castellano, Manager, Airport Safety and Compliance Branch, AAS-310, Federal Aviation Administration, 800 Independence Ave. S.W., Washington, DC 20591, telephone (202) 267-8728; or Ellis Ohnstad, Manager, Airports Program Guidance Branch, APP-510, Federal Aviation Administration, 800 Independence Avenue, S.W., Washington, DC 20591, telephone (202) 267-3831.

SUPPLEMENTARY INFORMATION

Federal Aviation Administration Authorization Act of 1994

This proposed statement of policy and related procedures is being published pursuant to section 111 of the Federal Aviation Administration Authorization Act of 1994, Pub. L. No. 103-305 (August 23, 1994) (1994 Authorization Act). That section requires the Secretary, through a new grant assurance and through establishment of a new report format, to require two new reports relating to airport revenue.

Section 111(a) of the 1994 Authorization Act amends Title 49 U.S.C. § 47107(a) to add a new sponsor assurance. New assurance no. 26(e) requires airport owners or operators to submit to the Secretary and make available to the public an annual report listing all amounts paid by the airport to other units of government and the purposes for the payments. Airport owners or operators must also make available a listing of all services and property provided to other units of government and the amount of compensation received for provision of each such service and property.

Section 111(b) of the 1994 Authorization Act requires the Secretary to issue a simplified format for financial reporting for airports, to assist in public understanding of airport finances and to provide information concerning the amount of any revenue

surplus, the amount of concession-generated revenue, and other information required by the Secretary. Under existing Assurance 26, the sponsor is obligated to submit such annual or special financial and operations reports as the Secretary may reasonably request. Section 111(b) specifies a report to be submitted under that authority. Specifically, Section 111(b) requires that the report include:

... information relating to total revenues, operating expenditures, capital expenditures, debt service payments, contributions to restricted funds, accounts, or reserves required by financing agreements or covenants or airport lease or use agreements or covenants. Such format shall require each commercial service airport to report the amount of any revenue surplus, the amount of concession-generated revenue, and other information as required by the Secretary.

An operating and financial report, such as the Operating and Financial Summary, may be required under Assurance No. 26 at the request of the Secretary. Responsibility for administration of this requirement is delegated to the FAA. By this notice the FAA is requiring the filing of annual financial and operating reports under Assurance No. 26 in accordance with Section 111 of the 1994 Authorization Act.

Airport sponsors required to file reports

Sponsors of commercial service airports are required to file both reports.

While the Governmental Payment and Services Report is technically required from all sponsors accepting grants with the new assurance, the FAA will require submission of the report to the Airports District Office and Washington headquarters only by

commercial service airports at this time. There are slightly more than 600 commercial service airports in the United States. This group of airports includes the airports used by air carriers, and includes all of the largest airports most likely to be able to generate excess revenue that could be diverted to non-airport uses. Other airport sponsors subject to the requirement must prepare the report and make it available on request to the FAA, members of the public, and members of the airport user community. The FAA may require that all airports submit the Governmental Payment and Services Report in the future.

Sponsors operating more than one airport

Generally, a separate report must be submitted for each airport. State governments that operate multiple airports may request an exception to this requirement to consolidate reports for certain airports, such as non-commercial or non-primary airports. The request must be submitted in writing to the FAA office that administers the sponsor's projects (e.g., Airports District Office) and must include an explanation of the reasons for proposed consolidation of multiple airports in one report, a list of the airports that would be affected, and an explanation of why the consolidation would not significantly affect the collection of information on revenue use at those airports.

Effective date and time for filing

The formats and instructions for the two reports described in this notice are effective on the date of publication of this notice. The requirement to file the

Governmental Payment and Services Report is effective upon the acceptance of a grant containing new Assurance No. 26(e) required by 49 U.S.C. § 47107(a)(19). The FAA is requiring the filing of annual financial and operating reports under Assurance No. 26 effective upon publication of this notice.

Both reports are due 60 days after the end of the sponsor's fiscal year, beginning the first year that ends after the publication date of this notice. This will require that the report include information on part of a fiscal year prior to publication of the notice. However, the information requested in the report is basic airport financial information, and would have been collected and recorded by a sponsor in any event. Accordingly, we would not expect the reporting of information for the current fiscal year to be an undue burden on sponsors. Comment is requested on any specific hardships with the reporting of this information.

Where to file reports

Sponsors should send one copy of each report to the FAA office that administers the sponsor's grants and one copy to the Airport Safety and Compliance Branch, AAS-310, ATTN: AIRPORT FINANCIAL REPORTS, Federal Aviation Administration, 800 Independence Ave., NW, Washington, DC 20591. Also, all reports must be made available to the public and to airport users on request. The reports represent summaries of airport financial activity only, and the FAA expects that the sponsor will have detailed accounting information and records available to support the summaries if requested by the FAA.

Signature level of certifying official

The reports must be signed by:

- (1) the principal financial officer of the airport authority, if the airport is an independent authority;
- (2) the principal financial officer of the local political jurisdiction that operates the airport, if the airport is operated as an agency or department of local government; or
- (3) the principal financial officer of the state executive department that operates the airport, if the airport is operated by a state government.

Electronic data submission

The formats made available indicate how the information included in the reports is to be categorized and organized if filed by hard copy report. It is the FAA's intention to provide for the filing of this information using an electronic data format. The FAA will publish more detailed information on the format and technical requirements for electronic data format filing prior to July 1, 1996. It is contemplated that the reports will be required on electronic spreadsheet and word processing programs, submitted electronically or on standard-format computer diskettes. Word processing and spreadsheet files will be required to be readable by current versions of one or more of the following programs, or in such other format as may be specified by notice in the Federal Register: Microsoft Word, Word Perfect, Ami Pro, Microsoft Excel, Lotus, Quattro Pro, or ASCII tab-delineated files. Submissions in electronic

form will assist the FAA to analyze data and prepare reports, including consolidated reports to Congress, on the individual submissions. The paper copy would be the official record copy of the report, but sponsors would certify that files on the diskette are true copies of the data file used to prepare the printed version of the report.

Effective date and request for comments

The reporting formats made available at this time are effective upon publication of this notice and should be used until superseded by a new format published in the Federal Register. Copies of the formats are available from the persons listed under "For Further Information Contact" and may also be downloaded by internet from the Office of the Associate Administrator for Airports World Wide Web site at: <http://www.faa.gov/arp/arphome.htm>.

Comments are invited on the format and instructions for each report. The FAA will make every effort to make any changes in the format and publish notice of the revised form in the Federal Register prior to June 30, 1996.

Issued in Washington, DC on March 13, 1996

James H. Washington

Acting Associate Administrator for Airports

Sponsor _____

Name of Airport _____

Fiscal Year Ended _____

OPERATING AND FINANCIAL SUMMARY**Operating Revenue****Airline and other aeronautical revenue**

1. Landing Fees _____
2. Terminal/international arrival area rental or other charge _____
3. Apron charges/tiedowns _____
4. Fuel flowage fees _____
5. Utilities _____
6. FBO revenue: contract or sponsor-operated _____
7. Cargo and hangar rentals _____
8. Securities Reimbursement _____
9. Misc. (Should not exceed 5% of total aeronautical) _____
10. (Add other categories if applicable) _____

Total aeronautical revenue _____**Non-aeronautical**

1. Rent/land rental _____
2. Concessions _____
3. Parking _____
4. Rental Cars _____
5. In-flight Catering _____
6. Interest Income _____
7. Royalties from natural resource sales _____
8. Misc. (Should not exceed 5% of total nonaeronautical) _____
9. (Add other categories if applicable) _____

Total non-aeronautical revenue _____**Total Operating Revenue** _____**Non-Operating Revenue and Other Receipts**

- Bond Proceeds _____
- Proceeds from sale of property not subject to Federal obligations _____
- Proceeds from sale of property subject to SPA/grant obligations _____
- Grant payments _____
- Passenger Facility Charges _____
- Other (Identify) _____

Total Non-Operating Revenue/other receipts _____**Total Revenue and Other Receipts** _____**Operating Expenses**

1. Personnel Compensation and Benefits _____
2. Communications and Utilities _____
3. Supplies, Materials, Repairs, Maintenance _____
4. Services (1) _____
5. Insurance and Claims _____
6. Government in lieu, permit, impact fees, etc. _____
7. Misc. (Should not exceed 5% of total op expenses) _____
8. (Add other categories if applicable) _____

Total Operating Expenditures _____**Debt Service Payments Net of Capitalized Interest** _____**Transfers to Reserves**

1. _____
2. _____

Total Reserve Transfers _____**Non-Operating Capital Expenditures**

1. _____
2. _____

Total Capital Expenditures _____**Other Expenditures**

1. _____
2. _____

Total Other _____**Total Non-Operating Expenditures** _____**Total Expenditures** _____**REVENUE SURPLUS (LOSS)** _____

Guidance used for accounting (check one or more) GAAP:___ OMB Circular A-87___

(1) Services includes fees for other governmental services not included in other categories Cash basis___ Accrual___ Other___

In compliance with section 47107(a) of the Title 49 United States Code and section 111(b) of the Federal Aviation Administration Authorization Act of 1994.

Please complete this form in order assist the public in understanding airport finances and the use of airport generated revenue.

I certify that the information on this form is true and accurate to the best of my knowledge and belief.

Authorized Representative _____

Date _____

Title _____

FAA Form 5100-125 (xx)

AGENCY DISPLAY OF ESTIMATED BURDEN.

The FAA estimates that the average burden for this report form is 5 hours per response. You may submit any comments concerning the accuracy of this burden estimate or any suggestions for reducing the burden to the Office of Management and Budget. You may also send comments to the Federal Aviation Administration, Program Support Branch, ARP-11, 800 Independence Avenue, SW, Washington, DC 20591, Attention: OMB Number 2120-0557.

Operating and Financial Summary
Federal Aviation Administration Form No. 5100-125

Instructions

Heading

1. Insert the name of the airport sponsor.
2. Insert the name of the airport for which form is submitted.
3. Insert the ending date of the fiscal year for which the information is provided.

Operating Revenue

4. Under "Operating Revenue," enter the annual total receipts for each applicable category of aeronautical and non-aeronautical revenue listed. Add numbered lines or additional sheets for other major categories of revenue not listed, if needed. Various smaller sources of revenue may be grouped under "Miscellaneous;" however, the "Miscellaneous" category should not exceed 5 percent of total revenues.
5. Enter subtotals for aeronautical and non-aeronautical revenue, and a figure for total operating revenue.

Non-Operating Revenue and Other Receipts

6. Under "Non-Operating Revenue and Other Receipts," enter annual total receipts for items which are considered airport revenue but not operating revenue, such as proceeds from the sale of property and proceeds from bond financing. Also enter items that are not considered airport revenue but for which payments are received by the airport and required to be deposited in airport accounts and/or used for airport purposes, such as Federal or state grant funds and passenger facility charge receipts.
7. Enter a total for non-operating revenue and other receipts.

Total Revenue and Other Receipts

8. Enter a total of all revenues and receipts from the revenue/receipts subtotal columns.

Operating Expenses

9. Under “Operating Expenses,” enter annual total expenditures for the categories of expenses listed, and add additional numbered items for other categories of expense applicable to the airport. Various smaller expense categories may be grouped under “Miscellaneous;” however, the “Miscellaneous” category should not exceed 5 percent of total operating expenditures. Note that the “Services” category includes payments to both private and governmental service providers.

10. Enter annual totals for the various categories of non-operating expenses: Debt service payments (not including capitalized interest); transfers to airport reserves or reserve accounts; expenditures for capital projects; and other expenditures that cannot be considered operating expenses. Any item listed under “Other Expenditures” should be described.

11. Enter the total of non-operating expenditures.

Total Expenditures

12. Enter the total of all expenditures for the fiscal year.

Surplus (Loss)

13. Enter the amount by which total revenues and receipts (item 8 above) exceeded total expenditures (item 12 above). If total expenditures exceeded total revenues and receipts, enter that amount in parentheses.

Accounting Methodology/Guidance

14. Check each item that applies to the system of accounting and cost allocation that the sponsor uses. Check “GAAP” if the sponsor uses generally accepted accounting principals, either general principles or special standards applicable to public enterprise funds. Check “OMB Circular A-87” if the sponsor uses this Office of Management and Budget circular, which prescribes cost allocation for projects funded with Federal funds. Check either “cash basis” or “accrual basis” to indicate the method used. If any other system of formal accounting standard is used, check “Other” and include a brief description.

Filing Instructions

15. Sign and date the form. The report must be signed by:

- (1) the principal financial officer of the airport authority, if the airport is an independent authority;
- (2) the principal financial officer of the local political jurisdiction that operates the airport if the airport is operated as an agency or department of local government; *or*
- (3) the principal financial officer of the state executive (cabinet-level) department that operates the airport, if the airport is operated by a state government.

16. One copy of the report must be submitted to the FAA Airports office that has grant responsibilities for the airport for which the form is provided, and one copy must be submitted to:

Airport Safety and Compliance Branch, AAS-310
ATTN: AIRPORT FINANCIAL REPORTS
Federal Aviation Administration
800 Independence Ave., NW.
Washington, DC 20591

17. The report is due 60 days after the end of the sponsor's fiscal year, beginning the first fiscal year that ends after April 1, 1996.

March 1996

Sponsor _____

Name of Airport _____

Fiscal Year Ended _____

FINANCIAL GOVERNMENTAL PAYMENT REPORT**Payments to other government units**

To unit of government: _____

To unit of government: _____

Payee - Department or Agency	Purpose	Amount	Payee - Department or Agency	Purpose	Amount
1.	Law Enforcement	\$ _____	1.		\$ _____
2.	Firefighting	_____	2.		_____
3.	Legal Services	_____	3.		_____
4.	Engineering	_____	4.		_____
5.	Procurement	_____	5.		_____
6.		_____	6.		_____
7.		_____	7.		_____
8.		_____	8.		_____
		_____			_____
		_____			_____

Services and property provided to other government units**Compensation for property and services**

To unit of government: _____

From unit of government: _____

Recipient - Department or Agency	Value	Remitting Department or Agency	Compensation
1.	\$ _____	1.	\$ _____
2.	_____	2.	_____
3.	_____	3.	_____
4.	_____	4.	_____
5.	_____	5.	_____
6.	_____	6.	_____
7.	_____	7.	_____
8.	_____	8.	_____

Total of cash and investments held in airport accounts at the end of the fiscal year: _____

In compliance with § 47107(a)(19) of Title 49 United States Code.

I certify that the information on this form is true and accurate to the best of my knowledge and belief.

Please complete this form noting fees and service provided to and received from other governments. Please list each government if more than one.

Authorized Representative_____
Date_____
Title

FAA Form 5100-126 (xx)

AGENCY DISPLAY OF ESTIMATED BURDEN.

The FAA estimates that the average burden for this report form is 3 hours per response. You may submit any comments concerning the accuracy of this burden estimate or any suggestions for reducing the burden to the Office of Management and Budget. You may also send comments to the Federal Aviation Administration, Program Support Branch, ARP-11, 800 Independence Avenue, SW, Washington, DC 20591, Attention: OMB Number 2120-0557.

**Governmental Payment and Services Report
Federal Aviation Administration Form No. 5100-126**

Instructions

Heading

1. Insert the name of the airport sponsor.
2. Insert the name of the airport for which the report is submitted.
3. Insert the ending date of the fiscal year for which the information is provided.

Payments to Other Government Units

4. A separate box is provided for each unit of government to which the airport has made payments (e.g., city of _____, state of _____). Each box contains a list of payee departments of that unit of government (e.g., city police department). Include the unit of government to which the airport belongs if any payments are made to non-airport components of that unit of government. Use copies of the form if payments were made to more than two units of government. In each "Payments to Other Government Units" box:

- a. Insert the name of the unit of government to which the payment was made.
- b. Under "Payee," insert the government department or agency to which the payment was made.
- c. Under "Purpose," insert a brief description of the services received or other reason for the payment. All payments for the same purpose or category of services to a payee during the year can be totaled on one line. If the same payee was paid for different purposes, use a separate line for each purpose.
- d. Under "Purpose," if a payment for a purpose not otherwise allowed by 49 U.S.C. § 47107(b)(1), grant assurance no. 25, is made under the "grandfather" exception in § 47107(b)(1), indicate that the payment is subject to the exception. Example: "grandfathered debt obligations." In the first report for each airport, attach a statement of the circumstances and legal support for the claim to the "grandfather" exception. The additional statement may be omitted after the first report, but the description of the payment should continue to be included under in the "Purpose" column.

Services and Property Provided to Other Government Units

5. Under “Services and Property provided to other Government Units”:

- a. In the box on the left side, insert the name of the unit of government **to** which service or property was provided; if none, insert "none".
- b. In the box on the right side, insert the name of the unit of government **from** which payment was received for the service or property provided by the airport.
- c. In the left box, list a description of each service or property provided to the other unit of government, and the actual or appraised value of the services or property provided. If neither actual or appraised value is available, estimate the value in dollars and insert that amount and the abbreviation “(est.).”
- d. In the right box, list the payments received corresponding to the same number on the left side of the section. If none, insert "none".
- e. Use additional copies of the format for additional units of government if required.

Total in Airport Accounts

Enter the total amount of cash and investments held in airport accounts at the end of the fiscal year. Include as investments any funds on loan to a non-airport local government account. Do not include the value of airport real or personal property in the total.

Filing Instructions

7. Sign and date the form. The report must be signed by:

- (1) the principal financial officer of the airport authority, if the airport is an independent authority;
- (2) the principal financial officer of the local political jurisdiction that operates the airport if the airport is operated as an agency or department of local government; *or*
- (3) the principal financial officer of the state cabinet department that operates the airport, if the airport is operated by a state government.

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8. One copy of the report must be submitted to the FAA Airports office that has grant responsibilities for the airport for which the form is provided, and one copy must be submitted to:

Airport Safety and Compliance Branch, AAS-310
ATTN: AIRPORT FINANCIAL REPORTS
Federal Aviation Administration
800 Independence Ave., NW.
Washington, DC 20591

9. The report is due 60 days after the end of the sponsor's fiscal year, beginning the first fiscal year that ends after April 1, 1996.

March 1996